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Claims 1 - 20, rejected under §§ 102, 103 and 112, have been canceled. Applicants respectfully submit that the new claims presented here define patentable subject matter.

**§ 112 Rejection**

New claim 34, corresponding to now canceled 16, has proper antecedent basis for the "amplifier-repeater."

**§ 102 Rejection**

Claims 1 - 4, 9 - 14, 19 and 20, rejected under § 102 based on Mohn (U.S. Patent 4, 953,636), have been canceled.

The new claims presented here recite these limitations:

- a thin coating on the interior surface of the tubular, the thin coating for smoothing said interior surface to improve the hydraulic and hydrodynamic properties of the tubular, said thin coating of a sufficiently small thickness that hydrodynamic or pressure carrying properties of the tubular are not adversely affected
- said signal conductor beneath said thin coating

Mohn has no teaching or suggestion of a thin coating as now claimed herein. Mohn discloses only insert elements or tubes of considerable thickness for inserting into a piece of pipe. The tube(s) of Mohn are not mere coatings but are meant to be of sufficient mass and strength that they can, when "installed within the pipeline" be "employed for conveying drilling mud or extracted fluids, a barrier fluid or an injection fluid for well stimulation" (Mohn, Col. 2, lines 59 - 62).

A further indication that Mohn does not disclose or suggest a thin coating as now claimed herein is his teaching that fluid can move in an annular space between his tubes' exteriors and a pipeline's interior (Mohn, Col. 2, lines 62 - 66).

Regarding new claims 22 - 28, Mohn has no teaching or suggestion of signal conductors under a coating or of such relatively small (or thin) conductors as now claimed herein.

Regarding new claim 26, Mohn has no teaching or suggestion of using a micro strip line; or regarding new claim 25, of using foil as a signal conductor.

Regarding new claim 29, Mohn has no teaching or suggestion of using tubulars with signal conductors which are not connected to each other, or of using transmitter-receiver amplifier-repeater rings that are not connected to signal conductors (new claim 37).

Applicants respectfully submit that the new claims discussed above define novel patentable subject matter.

#### § 103 Rejections

Claims 5 - 8 and 18, rejected under § 103 based on Mohn, have been canceled. Applicants repeat here the remarks above regarding the Mohn reference. Mohn is not concerned with conductor thickness as discussed above and Mohn has no teaching or suggestion of using a thin coating or relatively small (or thin) conductors.

Regarding new claim 18, Mohn has no teaching or suggestion of a conductor in a recess and, since his concept is an insertable tube element, he has no use for a recess.

Regarding the van der Graaf reference, Applicants note that van der Graaf does not remedy the deficiencies of Mohn discussed above.

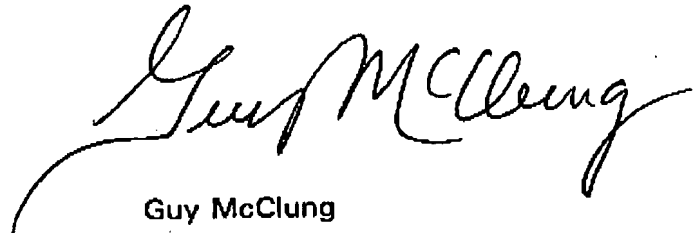
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## Conclusion

Applicants appreciate the careful and detailed Office Action. This is intended to be a complete Response to the Office Action. Early and favorable reconsideration is respectfully requested.

Respectfully submitted,



Guy McClung

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Guy McClung, Reg. No. 29,000

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